

FILED

SEP 28 2021

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION

THOMAS G. BRUTON
CLERK, U.S. DISTRICT COURT

UNITED STATES OF AMERICA

vs.

ROBERT CARTER and
SIRREGINALD MCGUIRE

)
) No. 21 CR 50024
) Violations: Title 18, United States
) Code, Sections 1957, 1343, 1341 and
) 1028A(a)(1)
) **Superseding Indictment**

COUNT ONE

The SPECIAL APRIL 2021 GRAND JURY charges:

1. At times material to this superseding indictment:

a. The Social Security Act established the dual program of federal and state unemployment benefits. Under the Act, each state administered its own unemployment program through their State Workforce Agency, within the guidelines of federal law.

b. State unemployment benefits were financed in part by state payroll taxes, which were held in trust by the United States Department of Treasury's Unemployment Trust Fund.

c. The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") expanded states' ability to provide unemployment insurance for many workers impacted by the COVID-19 pandemic, including workers who were not ordinarily eligible for unemployment benefits. One such program, the Federal Pandemic Unemployment Compensation Program ("FPUC Program"), allowed eligible individuals who were collecting certain unemployment benefits, including regular

unemployment compensation, to receive an additional \$600 in federal benefits per week for weeks of unemployment ending on or before July 31, 2020.

d. The Pandemic Emergency Unemployment Compensation ("PEUC") Program allowed those who had exhausted benefits under regular unemployment compensation or other programs to receive up to 13 weeks of additional federally funded benefits.

e. The Pandemic Unemployment Assistance ("PUA") Program allowed individuals who do not qualify for regular unemployment compensation and were unable to continue working as a result of COVID-19, such as self-employed workers and independent contractors, to file for unemployment benefits. PUA provided up to 39 weeks of benefits to qualifying individuals who were otherwise able to work and available for work within the meaning of applicable state law, except that they were unemployed, partially unemployed, or unable or unavailable to work due to COVID-19 related reasons, as defined in the CARES Act. Unemployment benefit payments under PUA were retroactive for weeks of unemployment, partial employment, or inability to work due to COVID-19 reasons starting on or after January 27, 2020.

f. Residents of California, Maryland and Virginia, or individuals who resided in another state but worked primarily in California, Maryland, or Virginia respectively, and who became unemployed through no fault of their own, had the option of initiating their unemployment claim electronically via the website for

the California Employment Development Department, the Maryland Division of Unemployment Insurance or the Virginia Employment Commission respectively.

g. Unemployment insurance claims filed electronically with the California Employment Development Department were processed by a server located in California. For approved claims, the California Employment Development Department paid the benefits via debit card issued by Bank of America. The debit cards were mailed to the claimant's mailing address via United States mail. All transactions involving a Bank of America debit card issued on behalf of the California Employment Development Department were processed through servers in Colorado.

h. Unemployment insurance claims filed electronically with the Maryland Division of Unemployment Insurance were processed by a server located in Virginia. For approved claims, the claimant had the option of receiving the benefits through either a direct deposit into a bank account or requesting the benefits be loaded onto a debit card that was mailed to the claimant's address via United States mail. Maryland Division of Unemployment Insurance debit cards were issued by Bank of America and all transactions involving the Bank of America debit card were processed through servers in Colorado.

i. Unemployment insurance claims filed electronically with the Virginia Employment Commission were processed by a server located in Virginia. For approved claims, the claimant had the option of receiving the benefits through either a direct deposit into a bank account or requesting the Virginia Employment

Commission send a debit card to the claimant's address via United States mail.

2. Beginning in or about June 2020, and continuing to in or about March 2021, in Homewood and DeKalb, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER and
SIRREGINALD MCGUIRE,

defendants herein, and others known and unknown to the grand jury, knowingly devised, intended to devise, and participated in a scheme to defraud the California Employment Development Department, the Maryland Division of Unemployment Insurance, and the Virginia Employment Commission and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme is more fully set out below.

3. It was a part of the scheme that defendants CARTER and MCGUIRE and others involved in the scheme electronically submitted fraudulent PUA unemployment insurance claims to the California Employment Development Department, the Maryland Division of Unemployment Insurance, and the Virginia Employment Commission, resulting in more than \$1,000,000 in unemployment benefits for claimants who, as defendants knew, were not entitled to unemployment benefits from the California Employment Development Department, the Maryland Division of Unemployment Insurance, and the Virginia Employment Commission respectively.

4. It was further part of the scheme that defendants CARTER and MCGUIRE and others involved in the scheme used their own names, dates of birth,

and social security numbers, and used the names, dates of birth, and social security numbers of others, in electronically filing fraudulent PUA unemployment insurance claims with the California Employment Development Department, the Maryland Division of Unemployment Insurance, and the Virginia Employment Commission for claimants who, as defendants knew, did not work or live in California, Maryland and Virginia respectively.

5. It was further part of the scheme that defendants CARTER and MCGUIRE and others involved in the scheme opted to have the fraudulent unemployment benefits paid via debit cards that were mailed to residences connected to defendants and others involved in the scheme, including residences in Homewood and DeKalb, Illinois, and Hampton, Georgia.

6. It was further part of the scheme that defendants CARTER and MCGUIRE obtained the debit cards containing unemployment benefits in the names of claimants who were not entitled to unemployment benefits from the California Employment Development Department, the Maryland Division of Unemployment Insurance, and the Virginia Employment Commission and withdrew funds from the debit cards at financial institutions and automated teller machines located in Illinois.

7. It was further part of the scheme that defendants CARTER and MCGUIRE misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hidden acts done in furtherance of the scheme and the purpose of those acts.

8. On or about June 26, 2020, at DeKalb, in the Northern District of Illinois, Western Division, and elsewhere,

ROBERT CARTER and
SIRREGINALD MCGUIRE,

defendants herein, for the purpose of executing the scheme, and attempting to do so, knowingly caused to be delivered by United States mail, according to the direction thereon an envelope addressed to M.P. in DeKalb, Illinois, which envelope contained a debit card containing unemployment benefits from the Maryland Division of Unemployment Insurance;

In violation of Title 18, United States Code, Section 1341

COUNT TWO

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about June 24, 2020, at Homewood, in the Northern District of Illinois,
and elsewhere,

ROBERT CARTER,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, the name, date of birth and social security number of M.P., to obtain unemployment insurance benefits from the Maryland Division of Unemployment Insurance, during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1341, as described in Count One of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT THREE

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about June 30, 2020, at DeKalb, in the Northern District of Illinois, Western Division, and elsewhere,

SIRREGINALD MCGUIRE,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, a Maryland Division of Unemployment Insurance unemployment insurance debit card in the name of M.P., during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1341, as described in Count One of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT FOUR

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about July 1, 2020, at Chicago, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, a Maryland Division of Unemployment Insurance unemployment insurance debit card in the name of M.P., during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1341, as described in Count One of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT FIVE

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. Paragraphs 1-7 of Count One of this superseding indictment are incorporated here.
2. On or about June 23, 2020, at Homewood, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER and
SIRREGINALD MCGUIRE,

defendants herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, and sounds, namely, an unemployment insurance claim in the name of F.M. sent from Homewood, Illinois to the Maryland Division of Unemployment Insurance, processed through servers located in Virginia;

In violation of Title 18, United States Code, Section 1343.

COUNT SIX

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about June 23, 2020, at Homewood, in the Northern District of Illinois,
and elsewhere,

ROBERT CARTER,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, the name, date of birth and social security number of F.M., to obtain unemployment insurance benefits from the Maryland Division of Unemployment Insurance, during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1343, as described in Count Five of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT SEVEN

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. Paragraphs 1-7 of Count One of this superseding indictment are incorporated here.
2. On or about June 20, 2020, at Homewood, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, and sounds, namely, an unemployment insurance claim in the name of R.S., sent from Homewood, Illinois to the Maryland Division of Unemployment Insurance, processed through servers located in Virginia;

In violation of Title 18, United States Code, Section 1343.

COUNT EIGHT

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about June 20, 2020, at Homewood, in the Northern District of Illinois,
and elsewhere,

ROBERT CARTER,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, the name, date of birth and social security number of R.S., to obtain unemployment insurance benefits from the Maryland Division of Unemployment Insurance, during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1343, as described in Count Seven of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT NINE

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about June 29, 2020, at Country Club Hills, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, a Maryland Division of Unemployment Insurance unemployment insurance debit card in the name of R.S., during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1343, as described in Count Seven of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT TEN

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about June 30, 2020, at Tinley Park, in the Northern District of Illinois,
and elsewhere,

ROBERT CARTER,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, a Maryland Division of Unemployment Insurance unemployment insurance debit card in the name of R.S., during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1343, as described in Count Seven of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT ELEVEN

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about July 1, 2020, at Country Club Hills, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, a Maryland Division of Unemployment Insurance unemployment insurance debit card in the name of R.S., during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1343, as described in Count Seven of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT TWELVE

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about July 2, 2020, at Chicago, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, a Maryland Division of Unemployment Insurance unemployment insurance debit card in the name of R.S., during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1343, as described in Count Seven of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT THIRTEEN

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. Paragraphs 1-7 of Count One of this superseding indictment are incorporated here.

2. On or about June 18, 2020, at Homewood, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, and sounds, namely, an unemployment insurance claim in the name of defendant ROBERT CARTER, sent from Homewood, Illinois to the Maryland Division of Unemployment Insurance, processed through servers located in Virginia;

In violation of Title 18, United States Code, Section 1343.

COUNT FOURTEEN

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. Paragraphs 1-7 of Count One of this superseding indictment are incorporated here.
2. On or about June 19, 2020, at Homewood, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER and
SIRREGINALD MCGUIRE,

defendants herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, and sounds, namely, an unemployment insurance claim in the name of defendant SIRREGINALD MCGUIRE, sent from Homewood, Illinois to the Maryland Division of Unemployment Insurance, processed through servers located in Virginia;

In violation of Title 18, United States Code, Section 1343.

COUNT FIFTEEN

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. Paragraphs 1-7 of Count One of this superseding indictment are incorporated here.
2. On or about June 19, 2020, at Homewood, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, and sounds, namely, an unemployment insurance claim in the name of Q.G., sent from Homewood, Illinois to the Maryland Division of Unemployment Insurance, processed through servers located in Virginia;

In violation of Title 18, United States Code, Section 1343.

COUNT SIXTEEN

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. Paragraphs 1-7 of Count One of this superseding indictment are incorporated here.
2. On or about July 16, 2020, at DeKalb, in the Northern District of Illinois, Western Division, and elsewhere,

ROBERT CARTER and
SIRREGINALD MCGUIRE,

defendants herein, for the purpose of executing the scheme, and attempting to do so, knowingly caused to be delivered by United States mail, according to the direction thereon an envelope addressed to R.S. in DeKalb, Illinois, which envelope contained a debit card containing unemployment benefits from the California Employment Development Department;

In violation of Title 18, United States Code, Section 1341.

COUNT SEVENTEEN

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about July 20, 2020, at DeKalb, in the Northern District of Illinois, Western Division, and elsewhere,

SIRREGINALD MCGUIRE,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, a California Employment Development Department unemployment insurance debit card in the name of R.S., during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1341, as described in Count Sixteen of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT EIGHTEEN

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about August 10, 2020, at Homewood, in the Northern District of Illinois,
and elsewhere,

ROBERT CARTER,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, a California Employment Development Department unemployment insurance debit card in the name of R.S., during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1341, as described in Count Sixteen of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT NINETEEN

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about August 11, 2020, at Olympia Fields, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER,

defendant herein, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, namely, a California Employment Development Department unemployment insurance debit card in the name of R.S., during and in relation to a felony, namely, a violation of Title 18, United States Code, Section 1341, as described in Count Sixteen of the superseding indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT TWENTY

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. Paragraphs 1-7 of Count One of this superseding indictment are incorporated here.
2. On or about July 6, 2020, at Homewood, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, and sounds, namely, an unemployment insurance claim in the name of defendant ROBERT CARTER, sent from Homewood, Illinois to the California Employment Development Department, processed through servers located in California;

In violation of Title 18, United States Code, Section 1343.

COUNT TWENTY-ONE

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. Paragraphs 1-7 of Count One of this superseding indictment are incorporated here.
2. On or about July 8, 2020, at DeKalb, in the Northern District of Illinois, Western Division, and elsewhere,

SIRREGINALD MCGUIRE,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, and sounds, namely, an unemployment insurance claim in the name of defendant SIRREGINALD MCGUIRE, sent from DeKalb, Illinois to the California Employment Development Department, processed through servers located in California;

In violation of Title 18, United States Code, Section 1343.

COUNT TWENTY-TWO

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. Paragraphs 1-7 of Count One of this superseding indictment are incorporated here.

2. On or about June 19, 2020, at Homewood, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, and sounds, namely, an unemployment insurance claim in the name of defendant ROBERT CARTER, sent from Homewood, Illinois to the Virginia Employment Commission, processed through servers located in Virginia;

In violation of Title 18, United States Code, Section 1343.

COUNT TWENTY-THREE

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. Paragraphs 1-7 of Count One of this superseding indictment are incorporated here.
2. On or about July 14, 2020, at Homewood, in the Northern District of Illinois, and elsewhere,

ROBERT CARTER and
SIRREGINALD MCGUIRE,

defendants herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, and sounds, namely, an unemployment insurance claim in the name of defendant SIRREGINALD MCGUIRE, sent from Homewood, Illinois to the Virginia Employment Commission, processed through servers located in Virginia;

In violation of Title 18, United States Code, Section 1343.

COUNT TWENTY-FOUR

The SPECIAL APRIL 2021 GRAND JURY further charges:

On or about August 14, 2020, at Chicago, in the Northern District of Illinois,

ROBERT CARTER,

defendant herein, did knowingly engage in a monetary transaction in and affecting interstate commerce in criminally derived property of a value greater than \$10,000, namely, the purchase of a Cartier watch for \$34,287.75 in United States currency, such property having been derived from a specified unlawful activity, namely, wire fraud and mail fraud;

In violation of Title 18, United States Code, Section 1957.

FIRST FORFEITURE ALLEGATION

The SPECIAL APRIL 2021 GRAND JURY further alleges:

1. Upon conviction of an offense in violation of Title 18, United States Code, Sections 1341 and 1343, as set forth in this superseding indictment, defendants ROBERT CARTER and SIRREGINALD MCGUIRE shall forfeit to the United States of America any property which constitutes and is derived from proceeds traceable to the offense, as provided in Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. The property to be forfeited includes, but is not limited to:

- a. a personal money judgment in the amount of approximately \$500,187.07.
- b. a Cartier Santos de Cartier watch with serial number 410910845ZX;
- c. an Audemars Piguet AP two-tone watch;
- d. a 14 karat white-gold Cuban bracelet;
- e. a 14 karat rose gold and diamond ring;
- f. a 14 karat white gold and diamond pendant;
- g. a 10 karat rose gold baguette and round diamond ring;
- h. a 14 karat rose gold diamond panther head ring;
- i. a 10 karat rose gold and diamond star ring;
- j. a 10 karat rose gold and diamond ring Mercedes logo;

- k. a 10 karat rose gold and diamond eternity ring;
- l. a 10 karat rose gold and diamond cluster ring;
- m. a 14 karat yellow gold cluster earring;
- n. a 10 karat yellow gold diamond "R" initial pendant;
- o. a 10 karat gold diamond "peach" pendant;
- p. a 10 karat yellow gold and rose gold chains;
- r. a 10 karat white gold diamond Cuban link bracelet;
- s. a 10 karat white/rose gold diamond Cuban link necklace;
- t. a 10 karat white gold diamond "Mercedes" pendant;
- u. an AP Royal Oak offshore diamond watch; and
- v. a Gucci watch.

3. If any of the property described above, as a result of any act or omission by defendant cannot: be located upon the exercise of due diligence; has been transferred to, sold to, or deposited with a third person; has been placed beyond the jurisdiction of the court; has been substantially diminished in value; or has been commingled with other property that cannot be subdivided without difficulty; the United States of America shall be entitled to forfeiture of substitute property as provided in Title 21, United States Code, Section 853(p).

SECOND FORFEITURE ALLEGATION

The SPECIAL APRIL 2021 GRAND JURY further alleges:

1. Upon conviction of an offense in violation of Title 18, United States Code, Section 1957, as set forth in this superseding indictment, defendant ROBERT CARTER shall forfeit to the United States of America any property involved in such offense, and any property traceable to such property, as provided Title 18, United States Code, Section 982(a)(1).

2. The property to be forfeited includes, but is not limited to, a Cartier Santos de Cartier watch with serial number 410910845ZX.

3. If any of the property described above, as a result of any act or omission by defendant cannot: be located upon the exercise of due diligence; has been transferred to, sold to, or deposited with a third person; has been placed beyond the jurisdiction of the court; has been substantially diminished in value; or has been commingled with other property that cannot be subdivided without difficulty; the United States of America shall be entitled to forfeiture of substitute property as provided in Title 21, United States Code, Section 853(p) and Title 18, United States Code, Section 982(b)(2).

A TRUE BILL:

FOREPERSON


UNITED STATES ATTORNEY